

**U.S. CUSTOMS SERVICE  
OFFICE OF STRATEGIC TRADE  
REGULATORY AUDIT DIVISION**

**COMPLETION DATE PROCEDURES  
AND LINE AUTHORITY  
FOR RESOLVING IMPORTER ISSUES  
DURING COMPLIANCE ASSESSMENTS**

**Introduction**

Regulatory Audit must adhere to the requirements for Compliance Assessments detailed in the Customs Modernization Act of 1993. One of those requirements is to project a completion date to the importer for each Compliance Assessment. The purpose of this document is to outline the process for communicating the names and contact points which show the line of authority to be followed during the compliance assessment.

**Background**

Both the U.S. Customs Service and the trade have a mutual interest in completing compliance assessments in the most efficient and timely manner. In order to most effectively accomplish that goal expectations and communications should be clear so that unnecessary delays do not occur during the compliance assessment.

**Policy**

It is Regulatory Audit's Policy that no Compliance Assessment will take more than one year to complete. Consequently, Regulatory Audit will be closely monitoring the progress of each Compliance Assessment and will ensure it is adhering to its own internal procedures to bring it to closure before the end of one year.

Additionally, Customs will also be closely monitoring the company's level of cooperation toward the completion of the Compliance Assessment within the stipulated one-year time frame. The Regulatory Audit Compliance Assessment Team will be continually updating the company on progress. Should there be a delay or interruption of this progress at any time that is concluded to be the responsibility of the importer, or the auditee's 3<sup>rd</sup> party representative, Customs will notify the importer in writing immediately. It should be recognized, that lengthy delays in producing the required books and records or any other constraint placed on the progress of the Compliance Assessment by the importer or 3<sup>rd</sup> party representative, may be grounds for terminating any further review activity and closing down the Compliance Assessment. Should that situation occur, Regulatory Audit would issue a Compliance Assessment report based on the information provided and recommend a risk level for the company predicated upon the information in hand.

During the Compliance Assessment, the Compliance Assessment Team Leader will be the primary CA Team contact for company representatives. The Compliance Assessment Team Leader will provide the auditee with the names and contact points showing the line of authority within Regulatory Audit. This will include the names and telephone numbers of the Assistant Field Director, Field Director and the appropriate Headquarters Regulatory Audit management official. The auditee should adhere to the following lines of authority and resolution levels when it is necessary to resolve issues. The company should note that their 3rd party representative also should follow these lines of authority.

The following points of contact and resolution levels should be provided to the auditee at the first meeting between the CAT and the company.

#### RESOLUTION LEVEL 1

If the company needs to raise an issue that is unclear or the subject of a difference of opinion, the company should contact the Assistant Field Director of the Regulatory Audit Field Office conducting the Compliance Assessment. The Assistant Field Director has responsibility for oversight of the Compliance Assessment.

#### RESOLUTION LEVEL 2

In the event that the company is still unable to resolve certain issues or major policy disputes the scope of the Compliance Assessment, the company should then contact the Field Director. Overall policy questions concerning the Compliance Assessment are the responsibility of the Field Director.

#### RESOLUTION LEVEL 3

The Customs Service and Regulatory Audit strongly encourages importers to follow this chain of command for resolving issues in a Compliance Assessment. It is the policy of Headquarters Regulatory Audit in Washington not to intervene in ongoing Compliance Assessment issues until the importer has exhausted all local supervisory and managerial levels within the Regulatory Audit Program. If all local levels of management have been consulted in dealing with questions in an ongoing Compliance Assessment, then the appropriate next managerial level, in is Washington.